



News Flash – The Centers for Medicare & Medicaid Services (CMS) has launched its website for agency-wide information and education on Versions 5010, D.0 and 3.0. As you may already know, Version 5010 is the new version of the X12 standards for HIPAA transactions; version D.0 is the new version of the National Council for Prescription Drug Program (NCPDP) standards for pharmacy and supplier transactions; and version 3.0 is a new NCPDP standard for Medicaid pharmacy subrogation. Visit the new website at <http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Versions5010andD0/index.html> to view background information on the new standards, regulatory information, the latest outreach messages from CMS, educational resources, resources specific to D.0 and 3.0, as well as implementation information for the Medicare Fee-For-Service systems. CMS plans to add additional information as it becomes available so bookmark the site today!

MLN Matters® Number: MM6629

Related Change Request (CR) #: 6629

Related CR Release Date: August 28, 2009

Effective Date: October 1, 2009

Related CR Transmittal #: R1806CP

Implementation Date: October 5, 2009

Note: This article was updated on January 3, 2013, to reflect current Web addresses. All other information remains unchanged.

October 2009 Update to the Ambulatory Surgical Center (ASC) Payment System; Summary of Payment Policy Changes and Manual Update

Provider Types Affected

This article is for providers, i.e., ASCs, who submit claims to Medicare contractors, i.e., Medicare Administrative Contractors (MACs) and carriers, for services provided to Medicare beneficiaries paid under the ASC payment system.

Provider Action Needed

This article is based on Change Request (CR) 6629 which describes changes to, and billing instructions for, payment policies implemented in the October 2009 ASC update. This update provides updated payment rates for selected separately payable drugs and biologicals and provides rates and descriptors for newly

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created Level II Healthcare Common Procedure Coding System (HCPCS) codes for drugs and biologicals. Be sure your billing staff is aware of these changes.

Background

Final policy under the revised ASC payment system, as set forth in the final rule CMS-1517-F, requires that ASC payment rates for covered separately payable drugs and biologicals be consistent with the payment rates under the Medicare hospital outpatient prospective payment system (OPPS). Those rates are updated quarterly. Therefore, beginning with the update notification (Transmittal R1488CP, CR5994) issued April 9, 2008, the Centers for Medicare & Medicaid Services (CMS) has issued quarterly updates to ASC payment rates for separately paid drugs and biologicals. CMS also updates the lists of covered surgical procedures and covered ancillary services to include newly created HCPCS codes, as appropriate. CR 6629 provides the new HCPCS code for one separately payable drug that will be added to the ASC list of covered ancillary items effective October 1, 2009.

Key Points of CR6629

CMS reminds ASCs that under the ASC payment system if two or more drugs or biologicals are mixed together to facilitate administration, the correct HCPCS codes should be reported separately for each product used in the care of the patient. The mixing together of two or more products does not constitute a "new" drug as regulated by the Food and Drug Administration (FDA) under the New Drug Application (NDA) process. In these situations, ASCs are reminded that it is not appropriate to bill HCPCS code C9399. HCPCS code C9399, Unclassified drug or biological, is for new drugs and biologicals that are approved by the FDA on or after January 1, 2004, for which a HCPCS code has not been assigned.

CMS also reminds ASCs that updated drug payment rates effective October 1, 2009 are included in the October 1, 2009 updated ASC Addendum BB that will be posted at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/index.html> on the CMS website at the end of September.

New Drugs and Biologicals Separately Payable under the ASC Payment System Effective October 1, 2009

One new HCPCS drug code has been created that is separately payable for dates of service on or after October 1, 2009. The new HCPCS code, the long descriptor, and payment indicator (PI) are identified in the following table:

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HCPCS	Long Descriptor	PI
Q2024	Injection, Bevacizumab, 0.25 mg	K2

HCPCS code Q2024 is included in the October 2009 quarterly updates transmittals for the OPPOS and ASC payment system. However, this code is not on the 2009 HCPCS file. CMS issued instructions to your Medicare contractors to manually add this code to their systems.

ASC Payment Rate for Certain Newly Payable HCPCS Codes Effective October 1, 2009

For dates of service beginning October 1, 2009, HCPCS code Q4115 (Skin substitute, alloskin, per square centimeter) is eligible for separate payment under the ASC payment system when it is provided integral to a covered surgical procedure. HCPCS code Q4115, the long descriptor, and the updated PI are displayed in the following table:

HCPCS	Long Descriptor	PI
Q4115	Skin substitute, alloskin, per square centimeter	K2

Updated Payment Rates for Certain HCPCS Codes Effective April 1, 2008 through June 30, 2008

The payment rates for several HCPCS codes were incorrect in the April 2008 ASC DRUG file. The corrected payment rates are listed below. Suppliers who think they may have received an incorrect payment between April 1, 2008 and June 30, 2008, may voluntarily submit those claims to their Medicare contractors for reprocessing.

HCPCS Code	Short Descriptor	Payment Indicator	Corrected Payment Rate
J1440	Filgrastim 300 mcg injection	K2	\$197.37
J1441	Filgrastim 480 mcg injection	K2	\$303.75
J2505	Injection, pegfilgrastim 6mg	K2	\$2,179.44
J2788	Rho d immune globulin 50 mcg	K2	\$26.06
J2790	Rho d immune globulin inj	K2	\$83.63
J9050	Carmus bischl nitro inj	K2	\$155.30

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Updated Payment Rates for Certain HCPCS Codes Effective July 1, 2008 through September 30, 2008

The payment rates for several HCPCS codes were incorrect in the July 2008 ASC DRUG file. The corrected payment rates are listed below. Suppliers who think they may have received an incorrect payment between July 1, 2008 and September 30, 2008, may voluntarily submit those claims to their contractors for reprocessing.

HCPCS Code	Short Descriptor	Payment Indicator	Corrected Payment Rate
J1438	Etanercept injection	K2	\$172.44
J1440	Filgrastim 300 mcg injection	K2	\$197.44
J1626	Granisetron HCl injection	K2	\$5.28
J2505	Injection, pegfilgrastim 6mg	K2	\$2,154.48
J2788	Rho d immune globulin 50 mcg	K2	\$26.70
J2790	Rho d immune globulin inj	K2	\$84.15
J9208	Ifosfomide injection	K2	\$34.10
J9209	Mesna injection	K2	\$7.86
J9226	Supprelin LA implant	K2	\$14,463.26

Updated Payment Rates for Certain HCPCS Codes Effective October 1, 2008 through December 31, 2008

The payment rates for several HCPCS codes were incorrect in the October 2008 ASC DRUG file. The corrected payment rates are listed below. Suppliers who think they may have received an incorrect payment between October 1, 2008 and December 31, 2008, may voluntarily submit those claims to their contractors for reprocessing.

HCPCS Code	Short Descriptor	Payment Indicator	Corrected Payment Rate
J1441	Filgrastim 480 mcg injection	K2	\$304.32
J2505	Injection, pegfilgrastim 6mg	K2	\$2,175.85

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HCPCS Code	Short Descriptor	Payment Indicator	Corrected Payment Rate
J9209	Mesna injection	K2	\$6.99
J9226	Supprelin LA implant	K2	\$14,413.33
J9303	Panitumumab injection	K2	\$81.86

Updated Payment Rates for Certain HCPCS Codes Effective July 1, 2009 through September 30, 2009

The payment rates for several HCPCS codes were incorrect in the July 1, 2009 ASC DRUG file. The corrected payment rates are listed below. Suppliers who think they may have received an incorrect payment between July 1, 2009 and September 30, 2009, may voluntarily submit those claims to their contractors for reprocessing.

HCPCS Code	Short Descriptor	Status Indicator	Corrected Payment Rate
90585	Bcg vaccine, percut	K2	\$115.47
C9359	Implnt,bon void filler-putty	K2	\$65.21
J9031	Bcg live intravesical vac	K2	\$114.73
J9211	Idarubicin hcl injection	K2	\$126.12
J9265	Paclitaxel injection	K2	\$7.62
J9293	Mitoxantrone hydrochl / 5 MG	K2	\$66.26
Q0179	Ondansetron hcl 8 mg oral	K2	\$7.91

Correct Reporting of Drugs

CR6629 also provides reminders about the correct reporting of drugs and biologicals when used as implantable devices and the correct reporting of units for drugs.

Additional Information

If you have questions, please contact your Medicare MAC or FI at their toll-free number which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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The official instruction (CR6629) issued to your Medicare MAC and/or carrier is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1806CP.pdf> on the CMS website.

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